

Realty Trust Review

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MARKET AND STATISTICAL REVIEW

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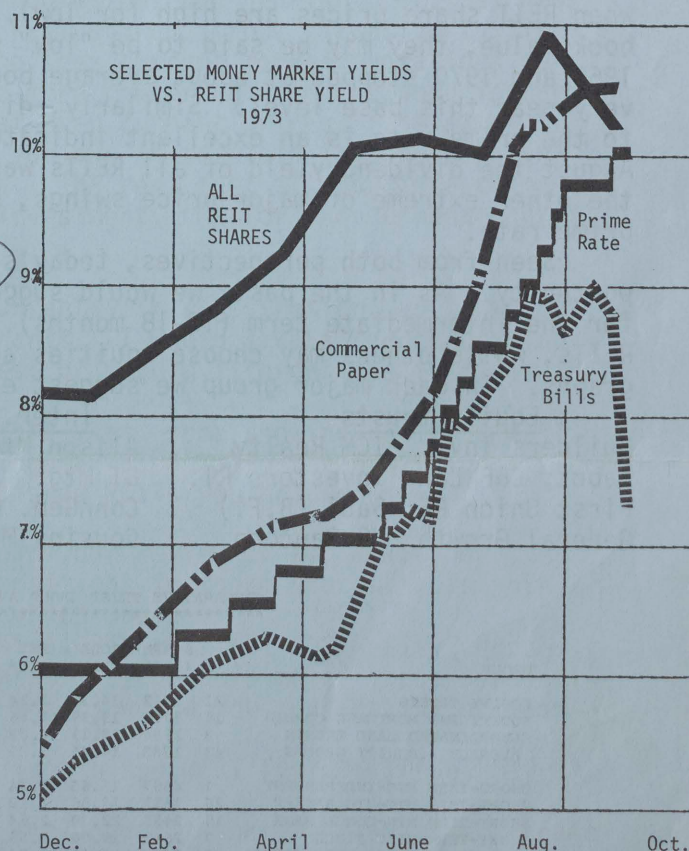
MARKET REVIEW: BREAK IN TREASURY BILL RATES SIGNALS MAJOR REIT BUYING POINT

Yields on Treasury bills plummeted 1.3% in last week's auction (see graph) and the break is the first tangible sign that the long-awaited downturn in interest rates is at hand. There likely will be many twists and false moves in the next few months but Treasury bills in the past have been a reliable indicator of money market trends (especially at the peak of the 1969-70 credit crunch).

The outlook for short-term rates is crucial for REIT investors because the lesson of 1973 is that dividend yields of REITs track short-term rates very closely, as shown by the graph. Moreover, all REIT groups have been hit with equal force by 1973's money market trends. (28)

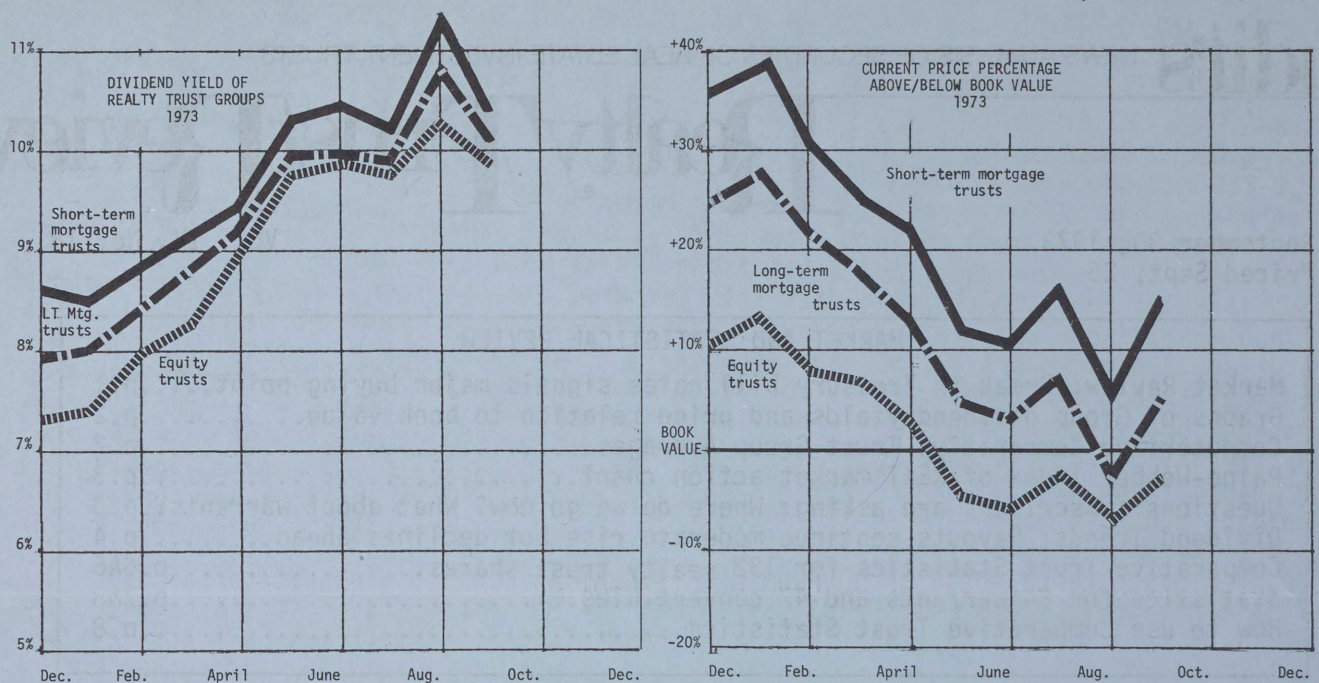
The turn in interest rates thus signals a major buying opportunity, in our opinion. REIT shares moved up sharply at this month's pricing Sept. 26, rising 8.9% and reducing dividend yields at current prices from 10.9% to 10.2%. Dividend yields on REIT shares are still very high by historical standards and, if REIT shares follow the money market on the downside, capital gains from today's level should still prove rewarding--despite our expectation that many REITs will be reporting lower earnings in coming months.

On page 2 we introduce two new tools to aid investors in answering two vital questions: 1) When are trust share prices high (or low), and 2) Which group has the most potential. The graphs are derived from our



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new monthly Comparative Trust Group Averages (table below; see p. 4, Aug. 27 for detail). The graphs put in perspective movements of two major characteristics of REIT shares: their dividend yield and the relation of current prices to book value.

In our judgement these two variables go a long way toward answering the question of when REIT share prices are high (or low). For instance, when REIT share prices are near book value, they may be said to be "low" since major declines in REIT share prices in 1969 and 1970 stopped at about average book value. The values reached in August were very near this base level. Similarly, dividend yield and the spread of dividend yield to the prime rate is an excellent indicator of whether prices are high (or low). In August the dividend yield of all REITs was 10.9%, or 1.15% over the prime rate then. At the other extreme of major price swings, REIT shares have yielded about 0.4% over the prime rate.

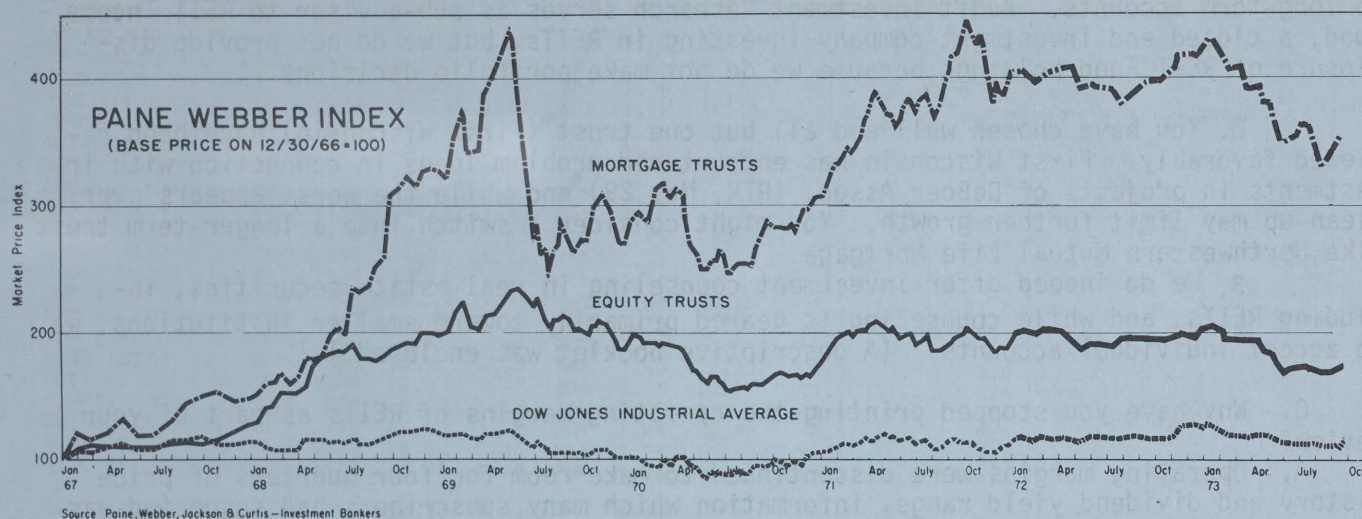
Seen from both perspectives, today's share prices thus represent a major buying opportunity. As in the past, we would suggest investors pick three to five REITs and hold for the intermediate term (12-18 months). Aggressive investors will choose short-term REITs, while others may choose equities according to the yield hierarchy revealed by the graphs. In each major group we suggest eight issues:

Equity trusts		Inter. & LT mtg.		Short-term mortgage	
Builders Inv.	ICM Realty	Alison Mtg.	Fidelco Gr.	Chase Man.	Lomas & Net.
Cabot, C&F Land	Investors Rl.	BT Mtg.	First Vir.	Cit.&So. Rl.	Midland Mtg.
First Union RE	Saul (B.F.)	ConnGen. Mtg.	Gulf Mtg.	Grt.Amer.Mtg.	N.Amer. Mtg.
General Growth	US Bancorp	Cousins Mtg.	NW Mut. Life	IDS Rlty.	Unionam. M&E

COMPARATIVE TRUST GROUP AVERAGES 09/27/73

GROUP	N	SHARE (000)	BOOK VALUE	EST DIV*	EARN ANN*	LAST PRICE	% CHNG	P/E RATIO	EST* YIELD	% PR TO BK	RETURN ON BK	MARKET VALUE
EQUITY TRUSTS	21	1712	14.32	1.24	1.27	12.85	3.6	10.1	9.6	-10.3	8.9	509.2
EQUITY AND MORTGAGE COMBIN	19	1719	13.99	1.46	1.45	14.23	6.1	9.8	10.3	1.7	10.4	482.4
SUBORDINATED LAND TRUSTS	3	2684	18.19	2.07	2.07	21.46	12.2	10.4	9.6	18.0	11.4	178.2
AVERAGE 3 EQUITY GROUPS	43	1783	14.45	1.39	1.41	14.06	5.6	10.0	9.9	-2.7	9.7	1169.8
SHORT-TERM MTG-INDEPENDENT	7	4557	15.65	1.44	1.61	14.56	12.7	9.0	9.9	-7.0	10.3	446.4
SHORT-TERM MTG-MTG BANKER	26	1911	17.56	2.12	2.18	19.99	10.0	9.2	10.6	13.9	12.4	1071.8
SHORT-TERM MTG-COMCL BANK	15	2451	22.30	2.64	2.77	27.33	10.8	9.9	9.6	22.6	12.4	1100.1
SHORT-TERM-MISC FINCL	9	2642	19.00	2.56	2.40	22.43	8.4	9.3	11.4	18.1	12.6	549.1
AVERAGE 4 SHORT-TERM GROUPS	57	2494	18.80	2.24	2.30	21.64	10.2	9.4	10.4	15.1	12.2	3167.4
INTERMEDIATE-TERM MORTGAGES	7	3258	17.49	2.13	2.13	19.11	9.2	9.0	11.2	9.3	12.2	410.7
LONG-TERM MTG & EQUITIES	25	2993	18.67	1.90	1.88	19.40	9.6	10.3	9.8	3.9	10.1	1429.7
AVERAGE LONG & INTERMEDIATE	32	3051	18.41	1.95	1.94	19.34	9.5	10.0	10.1	5.0	10.5	1840.4
OVERALL AVERAGE	132	2397	17.29	1.89	1.92	18.61	8.9	9.7	10.2	7.7	11.1	6177.6
DOW-JONES INDUSTRIAL AVERAGE						77.55	949.50	+10.7%	12.2	3.63%		

* Estimated by annualizing latest quarter.



REIT INVESTORS ASK: WHERE DO WE GO FROM HERE? WHAT ABOUT REIT WARRANTS?

Periodically REALTY TRUST REVIEW answers questions of general interest from subscribers. Questions of general interest are welcomed, but we cannot offer advice on individual issues privately.

Q. I am loaded with REITs--and love them--for income. Mine are 8-15 points below what I paid and most will not recover until after the political clouds have departed. It is not all the fault of Watergate, etc., but where do we go now?

A. We believe you have let current market quotations and bearish political news blind you to many other aspects of investing in REIT shares. Your situation is like that of any income oriented investor in bonds who sees current market quotations decline because interest rates rise. He should be more concerned with the bond issuer's ability to pay the bond interest rather than fret over current prices. The same with REITs: focus attention on the ability of trusts you own to maintain (and perhaps increase) quarterly dividends, not on share prices. The real test of your investment is what happens to the payouts after your initial investment. As for the current market outlook, see page 1 and 2.

Q. Please provide information on trusts currently in registration, as I am seeking an initial investment so that I may acquire warrants. I would like a recommendation from you because I cannot understand prospectuses; or should I forget the initials and concentrate upon my present portfolio?

A. Warrants have been particularly risky this year, some showing declines well over 50%. The bloom seems to be off the warrant game, especially for new issues. Your best strategy is to concentrate upon the established REITs you hold now.

Q. 1. I note that in the July 16 RTR you end your review of IDS Realty by noting that "clients and affiliates hold minor positions in these shares." Is this situation applicable to other REITs, and if so, which ones.

2. My portfolio contains shares in Cousins, Diversified, IDS Realty, North American, First Wisconsin, and B.T. Mortgage. What is your opinion of these a) relative to each other, b) relative to the average REIT, and c) would you replace any of them at this time?

3. Do you offer a personal type counseling in the REIT field? If so, may I have information on the service.

A. The shares of IDS Realty are held by a small profit sharing plan under management and ownership is disclosed in accordance with our pledge at the bottom of Page 1. Because of the wide circulation of REALTY TRUST REVIEW, we generally limit REIT holdings

to long-term accounts. Audit Investment Research serves as sub-adviser to REIT Income Fund, a closed end investment company investing in REITs, but we do not provide disclosure of REIT Fund holdings because we do not make portfolio decisions.

2. You have chosen well and all but one trust (First Wisconsin) have been reviewed favorably. First Wisconsin has encountered problem loans in connection with investments in projects of DeBoer Assoc. (RTR, May 29) and while the worst appears over, clean-up may limit further growth. You might consider a switch into a longer-term trust like Northwestern Mutual Life Mortgage.

3. We do indeed offer investment counseling in real estate securities, including REITs, and while counseling is geared primarily toward smaller institutions, we do accept individual accounts. (A descriptive booklet was enclosed.)

Q. Why have you stopped printing the operating margins of REITs as part of your review?

A. Operating margins were discontinued to make room for four quarters of price history and dividend yield range, information which many subscribers had suggested was of more current relevance to their decisions.

Q. For some time I have been following Fidelco Growth Investors. Your previous reviews have been favorable but I did not want to pay in the 40s and 30s. Now the price seems right and I wonder whether there are adverse fundamental factors relating to the trust itself which are responsible for the very sharp drop. A temporary set-back in earnings and dividends for a few quarters does not upset me, as long as the overall outlook seems favorable.

A. Fidelco was reviewed favorably Sept. 17. Recent quarterly earnings were pinched by high short-term interest rates. Although the trust shifted from commercial paper into bank borrowings, high money costs could limit earnings for the August and November quarters. The longer-term outlook is encouraging and the shares (33-ASE) should benefit from favorable money market trends.

DIVIDEND TRENDS: PAYOUTS UP A BIT BUT GAINS WILL BE TOUGHER IN COMING MONTHS

Our September tally continued a moderate pickup in the rate of payouts to REIT shareholders with declarations rising at a 9.2% annual rate from the previous quarter and 6.6% from year-ago levels. Gains over the previous year are coming more slowly and nearly one-third of September declarations--13 of 44--were cut back from the previous year. With some moderate earnings declines expected for many trusts in coming months, you can expect some further declines in payouts.

Largest percentage gainer was First Continental Real Estate which returned to a \$0.30 quarterly rate after paying only \$0.21 the previous quarter following a new share offering. Largest decline was Franklin Realty & Mortgage, which cut back 36.8% to \$0.12 from the \$0.19 quarterly rate sustained since June 1970. The trust blamed "unprecedented" prime rate rises. Our tallies of September declarations:

-----Change from previous quarter-----

	Up	Same	Down	Tot.	% Ann. Rate
Sept. 26	12	6	44	66	+9.2%
9 Mon. 199	82	50	331	463	---

-----Change from previous year-----

	Up	Same	Down	Tot.	% Ann. Rate
Sept. 28	3	13	44	60	+6.6%
9 Mon. 225	46	55	326	427	---

	Record date	-Dividend per share- Latest	Previous	--Net Change-- Amt.	%	Extra	Year ago
Atlanta Nat'l. RE	9/28	\$ 0.50	\$ 0.45	+ .05	+11.1	---	\$0.40
Beneficial Std.	8/23	0.75	0.67	+ .08	+11.9	---	0.65
Berg Ent. Rlty.	9/28	0.21	0.19	+ .02	+10.5	---	NO
C.I. Mortgage	9/17	0.15M	0.15	---	NC	---	0.19
Cabot, C&F Land	10/3	0.63	0.60	+ .03	+ 5.0	---	0.54
Connecticut General	9/28	0.44	0.44	---	NC	---	0.44
Cont. Ill. Properties	10/2	0.36	0.36	---	NC	---	0.33
Continental Mtg.	10/15	0.28	0.27	+ .01	+ 3.7	---	0.28
Cousins Mtg. & Eq.	9/26	0.61	0.59	+ .02	+ 3.4	---	0.51
Diversified Mtg.	10/10	0.73	0.73	---	NC	---	0.69
Dominion Mtg. & Rlty.	10/2	0.54a	0.47	+ .07	+14.9	---	0.40
Fidelco Growth	9/2a	0.83a	0.80	+ .03	+ 3.8	---	0.77
First Continental RE	9/30	0.30	0.21	+ .09	+42.9	---	0.26
First Memphis	9/17	0.50a	0.51	-.01	- 2.0	---	0.42
First Mortgage	9/12	0.49	0.48	+ .01	+ 2.1	---	0.56
Franklin R&M	9/17	0.12	0.19	-.07	-36.8	---	0.19
Fraser Mtg.	10/5	0.48	0.52	-.04	- 7.7	---	0.56
General Growth	9/18	0.23	0.22	+ .01	+ 4.5	---	0.18
Gould Investors	9/14	0.225	0.22	+ .005	+ 2.3	---	0.19
Great Amer. Mtg.	9/28	0.295M	0.29	+ .005	+ 1.7	---	0.235
GREIT Realty	10/10	0.30	0.30	---	NC	---	0.40
Guardian Mtg.	9/28	0.96	1.04	-.08	- 7.7	---	0.98
Hanover Sq. Rlty.	10/1	0.55	0.49	+ .06	+12.2	---	NO
Heitman Mtg.	9/14	0.39	0.37	+ .02	+ 5.4	---	0.30
Hospital Mtg.	10/5	0.55	0.54	+ .01	+ 1.9	---	0.45
ICM Realty	9/24	0.48	0.465	+ .015	+ 3.1	---	0.43
Income Mtg. & Rlty.	9/17	0.26	0.25	+ .01	+ 4.0	---	0.225
Institutional Investors	9/18	0.35	0.34	+ .01	+ 2.9	---	0.485
KMC Mortgage	10/3	0.29	0.28	+ .01	+ 3.6	---	0.23
M&T Mortgage	10/1	0.30	0.29	+ .01	+ 3.4	---	0.27
MassMutual M&R	9/7	0.46	0.50	-.04	- 8.0	---	0.50
Median Mtg.	9/20	0.30	0.29	+ .01	+ 3.4	---	0.32
Mortgage Growth	10/1	0.30	0.29	+ .01	+ 3.4	---	0.26
Mutual REIT	9/25	0.075	0.075	---	NC	0.05	0.055
NJB Prime Inv.	10/1	0.64	0.60	+ .04	+ 6.7	---	0.50
Northwestern Mutual	9/28	0.49	0.48	+ .01	+ 2.1	---	0.44
Old Stone Mtg.	9/28	0.32	0.32	---	NC	---	0.30
Palomar Mtg.	9/27	0.41	0.41	---	NC	---	0.35
Property Capital	8/31	0.41	0.41	---	NC	0.12	0.37+15 ex
Rlty & Mtg. Pacific	9/29	0.44	0.43	+ .01	+ 2.3	---	0.37
Summit Properties	9/28	0.275	0.275	---	NC	0.05	0.25+10 ex
UnionAmerica Mtg.	9/14	0.58a	0.61	-.03	- 4.9	---	0.58
Wachovia Realty	10/5	0.60	0.60	---	NC	---	0.62+.04 ex
Washington REIT	9/7	0.30	0.26	+ .04	+15.4	---	0.24
Western Mtg.	9/14	0.21	0.21	---	NC	---	0.22
Wisconsin REIT	9/28	0.225	0.225	---	NC	---	0.22
Totals (44 Trusts)b		\$18.69	\$18.27	+\$.42	+ 2.3		

a-On shares when declared, may be lower if additional shares are out by ex-dividend dates.
b-Excludes initial, monthly and extra declaration. NC-No change. M-Monthly. NO-No operations.
Trusts with reduced dividend underlined.

	EXCH/ SYMBOL	SHARE (000)	BOOK VALUE	EST DIV*	EARNINGS MON ANN*	LAST PRICE	% CHNG	P/E RATIO	EST* YIELD	% PR TO BK	RET ON BK	MKT VA (MIL\$)
EQUITY TRUSTS												
ARLEN PROP*	O-ARLNS	1012	14.37	1.80	JUN 1.80	15.25	10.9	8.5	11.8	6.1	12.5	15.4
C I REALTY #	O-CIRLS	2609	22.80	1.20	MAY 1.00	12.25	8.9	12.3	9.8	-46.3	4.4	32.0
CITIZENS GR#	O-CITGS	811	18.54	1.60	APR 1.76	14.88X	3.6	8.5	10.8	-19.7	9.5	12.1
CON ILL PRO#	N-CIE	4808	23.64	1.44	APR 1.40	16.13	5.8	11.5	8.9	-31.8	5.9	77.6
DENVER RLT#	O-DENV	1091	9.46	0.60	DEC 0.72	7.75	0.0	10.8	7.7	-18.1	7.6	8.5
FLORIDA GLF#	O-FGLFS	975	18.25	1.56	JUL 1.64	17.00	1.5	10.4	9.2	-6.8	9.0	16.6
FST FIDELTY#	O-FFITS	866	12.00	0.64	MAY 0.45	6.75	10.1	15.0	9.5	-43.8	3.7	5.8
GENERAL GRO#	N-GGP	5554	6.91	0.92	JUN 0.92	18.13X	2.0	19.7	5.1	162.4	13.3	100.7
GIT REALTY#	A-GIM	1150	9.41	1.20	MAR 1.22	9.38	5.6	7.7	12.8	-0.3	13.0	10.8
GOULD INVST#	A-GTR	1179	7.79	0.90	JUN 1.04	8.38X	4.3	8.1	10.7	7.6	13.4	9.9
GREIT RLY#	A-GRT	998	14.26	1.20	JUL 1.72	10.00	-4.8	5.8	12.0	-29.9	12.1	10.0
HUBBARD REI	N-HRE	4004	23.41	1.56	JUL 1.56	18.63X	3.5	11.9	8.4	-20.4	6.7	74.6
JMB REALTY#	O-JMBRS	510	18.27	1.84	MAY 1.84	16.00	3.2	8.7	11.5	-12.4	10.1	8.2
MUTUAL REIT#	O-MUTRS	1433	6.90	0.15	JUN 0.11	2.38X	-4.8	21.6	6.3	-65.5	1.6	3.4
NEW PLAN RLY	O-NPLNS	665	11.61	1.68	OCT 1.60	14.63	-2.5	9.1	11.5	26.0	13.8	9.7
PENN REIT#	A-PEI	1503	10.88	1.10	MAY 1.60	12.25	4.3	7.7	9.0	12.6	14.7	18.4
REIT OF AMER	A-REI	1584	21.55	1.40	AUG 1.48	16.25	0.7	11.0	8.6	-24.6	6.9	25.7
SUMMIT PRO#	O-SMSTS	961	9.97	1.25	JAN 1.26	11.75X	-1.4	9.3	10.6	17.9	12.6	11.3
US LSG REI#	A-USE	1348	21.83	1.80	JUN 1.84	18.38	8.1	10.0	9.8	-15.8	8.4	24.8
WASH REIT#	A-WRE	1368	10.11	1.20	MAR 1.24	14.25X	14.1	11.5	8.4	40.9	12.3	19.5
WISC REI FD#	O-WREI	1514	8.81	0.90	JUN 0.44	9.50X	-2.8	21.6	9.5	7.8	5.0	14.4
GROUP AVERAGE		1712	14.32	1.24		12.85	3.6	10.1	9.6	-10.3	8.9	509.2
EQUITY AND MORTGAGE COMBINATION TRUSTS												
AMER REALTY#	A-ARB	2117	7.99	1.20	MAR 0.92	10.75X	2.8	11.7	11.2	34.5	11.5	22.8
BERG ENT RG	A-BRT	1400	9.17	0.84	AUG 0.84	7.75X	20.1	9.2	10.8	-15.5	9.2	10.8
BUILDERS INV	N-BSG	2487	23.41	3.60	JUN 3.60	31.25	13.6	8.7	11.5	33.5	15.4	77.7
FIRST UNION#	N-FUR	3699	10.00	0.96	JUL 1.09	11.25	-4.3	10.3	8.5	12.5	10.9	41.6
FLATLEY RLT	O-FLTLS	1000	9.25	0.89	JUN 0.92	7.75	8.7	8.4	11.5	-16.2	9.9	7.8
FRANKLIN RLY	A-FR	998	10.07	0.12	JUN 0.52	6.25X	-9.0	12.0	1.9	-37.9	5.2	6.2
INCOME MTG#	O-INMRS	1023	8.08	1.04	JUN 0.54	9.50X	0.1	17.6	10.9	17.6	6.7	9.7
INDIANA M&R	O-INMDS	1153	18.81	1.72	JUN 1.72	19.25	6.9	11.2	8.9	2.3	9.1	22.2
INVESTOR RL#	A-IRT	1579	12.58	1.36	MAY 1.40	12.75	8.5	9.1	10.7	1.4	11.1	20.1
LINCOLN MTG*	O-LNMGS	1155	9.32	0.80	JUN 0.88	6.88	3.8	7.8	11.6	-26.2	9.4	7.9
MILLER HEN S	O-HSMTS	560	18.33	1.36	MAY 1.46	14.25	5.6	9.8	9.5	-22.3	8.0	8.0
NJB PRIME	A-NJB	1240	19.80	2.56	AUG 2.52	20.38X	7.8	8.1	12.6	2.9	12.7	25.3
PEASE ELLIMN	A-PNE	1114	18.31	1.60	JUN 1.44	14.38	2.7	10.0	11.1	-21.5	7.9	16.0
RIVIERE RLY#	O-RV16	783	9.24	0.96	JUN 0.81	9.50	-1.3	11.7	10.1	2.8	8.8	7.4
RLTY INCOME	A-RIT	1516	14.35	1.50	JUL 1.32	14.88X	5.2	11.3	10.1	3.7	9.2	22.6
SAUL (B) REI	N-BFS	5651	15.22	1.56	JUN 1.60	16.25	4.8	10.2	9.6	6.8	10.5	91.8
US BANCORP*	A-UBT	779	23.70	2.48	MAY 3.04	28.75	11.1	9.5	8.6	21.3	12.8	22.4
US REALTY#	N-UTY	3377	9.73	1.36	JUN 1.35	13.88X	6.3	10.3	9.8	42.7	13.9	46.9
WALTER JIM #	O-WALJS	1035	18.49	1.80	JUL 1.63	14.63X	4.0	9.0	12.3	-20.9	8.8	15.1
GROUP AVERAGE		1719	13.99	1.46		14.23	6.1	9.8	10.3	1.7	10.4	482.4
SUBORDINATED LAND TRUSTS												
CABOT LAND	N-CFT	2976	19.92	2.52	AUG 2.48	28.50	18.1	11.5	8.8	43.1	12.4	84.8
ICM REALTY	A-ICM	3011	20.78	1.92	AUG 1.96	20.38X	5.6	10.4	9.4	-1.9	9.4	61.4
PROPERTY CAP	A-PCL	2065	13.87	1.76	JUL 1.76	15.50X	11.5	8.8	11.4	11.8	12.7	32.0
GROUP AVERAGE		2684	18.19	2.07		21.46	12.2	10.4	9.6	18.0	11.4	178.2
SHORT-TERM MTG-MTG BANKER												
ATICO MTG IN	N-ACO	2702	17.86	1.88	JUL 1.92	17.00	7.1	8.9	11.1	-4.8	10.8	45.9
BAIRD SWARNR	O-BAIDS	1015	19.48	1.96	JUL 2.00	17.00	5.4	8.5	11.5	-12.7	10.3	17.3
BARNES MTG	O-BARNS	1910	18.62	1.40	JUN 1.52	17.50	10.2	11.5	8.0	-6.0	8.2	33.4
CENTRAL MTG	O-CMRTS	775	18.19	1.92	JUN 1.92	18.50	2.8	9.6	10.4	1.7	10.6	14.3
CITIZENS MI	A-CZM	1416	14.15	1.72	JUN 1.64	16.38	4.8	10.0	10.5	15.8	11.6	23.2
COLWELL MTG	N-CLM	1935	21.86	3.09	JUN 3.44	29.00	8.9	8.4	10.7	32.7	15.7	56.1
FIRST CONTNL	O-FCRES	2106	9.13	1.20	AUG 1.20	11.25X	18.5	9.4	10.7	23.2	13.1	23.7
FRASER MTG I	O-FRASS	1038	16.97	1.92	AUG 1.92	16.00	4.9	8.3	12.0	-5.7	11.3	16.6
GALBREATH FM	O-GALBS	1043	24.64	2.28	JUN 2.28	24.00	10.3	10.5	9.5	-2.6	9.3	25.0
GUARDIAN MI	N-GMI	2966	28.11	3.84	AUG 4.52	36.63X	11.0	8.1	10.5	30.3	16.1	108.6
GULF SO MTG	A-GSR	1161	18.83	2.32	JUN 2.32	19.25	6.9	8.3	12.1	2.2	12.3	22.3
HAMILTON INV	O-HAMTS	2095	18.70	2.08	JUN 2.48	18.13	11.6	7.3	11.5	-3.0	13.3	38.0
HEITMAN MTG	A-HTM	3107	11.79	1.56	JUN 1.56	12.88X	12.9	8.3	12.1	9.2	13.2	40.0
JUSTICE MTG	O-JUSTS	1083	18.16	2.64	JUN 2.64	24.75	10.0	9.4	10.7	36.3	14.5	26.8
KMC MTG IN	O-KMTGS	1100	13.84	1.16	AUG 1.20	10.00	8.1	8.3	11.6	-27.7	8.7	11.0
LARWIN MTG I	N-LWN	2009	18.69	2.68	JUN 2.68	23.00	8.2	8.6	11.7	23.1	14.3	46.2
LOMAS & NTLN	N-LOM	3700	33.23	3.84	JUN 3.84	46.50	19.2	12.1	8.3	39.9	11.6	172.0
M&T MTG INV	O-TMTIS	1482	10.30	1.20	AUG 1.04	10.00X	-3.1	9.6	12.0	-2.9	10.1	14.8
MIDLAND MTG	N-MMT	2225	12.70	1.72	JUN 1.78	15.75	11.5	8.8	10.9	24.0	14.0	35.0
NATIONAL MTG	O-NMTGS	2327	10.65	1.48	AUG 1.52	13.50	5.9	8.9	11.0	26.8	14.3	31.4
NO AMER MTG#	N-NAM	4400	14.57	2.48	JUN 2.48	28.75	15.0	11.6	8.6	97.3	17.0	126.5
PALOMAR MTG	A-PMI	1812	13.32	1.64	AUG 1.64	12.63	-10.6	7.7	13.0	-5.2	12.3	22.9
SUTRO MTG I	N-SUT	2319	17.14	1.60	JUN 1.64	15.25	7.9	9.3	10.5	-11.0	9.6	35.4
TEXAS 1ST MT	O-TFMRS	1055	18.20	2.20	JUN 2.16	18.75	8.7	8.7	11.7	3.0	11.9	19.8
TMC MTG INV	A-TMG	800	18.06	3.00	JUN 3.00	26.38	26.3	8.8	11.4	46.1	16.6	21.1
UNIONAM M&EQ	A-UAT	2108	19.32	2.32	AUG 2.32	21.00X	13.6	9.1	11.0	8.7	12.0	44.3
GROUP AVERAGE		1911	17.56	2.12		19.99	10.0	9.2	10.6	13.9	12.4	1071.8

#CASH FLOW. *GROSS CASH FLOW. @CASH FLOW INCLUDING DEBT DISCOUNT

	EXCH/ SYMBOL	SHARE (000)	BOOK VALUE	EST DIV*	EARNINGS MON ANN*	LAST PRICE	% CHNG	P/E RATIO	EST* YIELD	% PR TO BK	RET ON BK	MKT VA (MIL\$)
SHORT-TERM MTG-INDEPENDENT												
ASSOC MTG IN	A-AMY	1339	19.98	0.00	JUN 1.20	6.75	3.8	5.6	0.0	-66.2	6.0	9.0
CAPITAL MI	N-CMU	1580	23.60	2.68	JUN 2.80	25.63	11.4	9.2	10.5	8.6	11.9	40.5
CONTNTL MTG	N-CMI	16956	9.67	1.12	JUN 1.08	11.75	22.0	10.9	9.5	21.5	11.2	199.2
FIRST MTG IN	N-FIM	6796	14.87	1.96	JUL 1.88	18.00X	19.3	9.6	10.9	21.0	12.6	122.3
MTG INV WASH	O-MINVS	2120	13.96	1.68	JUN 1.72	16.00	12.3	9.3	10.5	14.6	12.3	33.9
REPUBLIC MI	N-RMI	2107	18.53	1.80	JUN 1.76	15.88	5.0	9.0	11.3	-14.3	9.5	33.5
WESTERN MI	O-WMTGS	1001	8.95	0.84	MAY 0.84	7.88X	15.6	9.4	10.7	-12.0	9.4	7.9

GROUP AVERAGE		4557	15.65	1.44		1.61	14.56	12.7	9.0	9.9	-7.0	10.3	446.4
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SHORT-TERM MTG-COMCL BANK												
AMER FLECHR	A-AFM	1348	25.05	2.80	JUL 3.20	28.50	9.6	8.9	9.8	13.8	12.8	38.4
BARNETT MTG	N-BMT	2059	21.67	2.68	JUN 2.96	27.25	16.0	9.2	9.8	25.7	13.7	56.1
CAMERON-BRW	N-CB	2022	24.36	2.92	JUN 3.04	28.75	12.7	9.5	10.2	18.0	12.5	58.1
CHASE MAN MT	N-CMR	4832	30.09	4.56	MAY 4.56	58.25	12.0	12.8	7.8	93.6	15.2	281.5
CITINATL DEV	O-CITI6	600	18.66	1.40	JUN 1.36	10.50	0.0	7.7	13.3	-43.7	7.3	6.3
CITZNS&SO RL	N-CZS	3801	22.09	3.04	JUN 3.12	34.25	5.8	11.0	8.9	55.0	14.1	130.2
CONT ILL RLY	N-CIR	2797	18.49	1.80	JUN 1.92	17.50	10.2	9.1	10.3	-5.4	10.4	48.9
FST COMMERCE	O-FCRNS	1008	22.85	1.50	JUN 2.13	24.50	15.3	11.5	6.1	7.2	9.3	24.7
FST DENVR MI	A-FDE	1580	18.72	2.25	JUN 2.32	22.63	7.1	9.8	9.9	20.9	12.4	35.8
FST PENN MT	N-FPM	2938	20.80	2.08	JUL 2.08	21.13	27.1	10.2	9.8	1.6	10.0	62.1
FST WISCN MT	N-FWM	1910	29.50	4.20	JUN 4.36	38.75	10.7	8.9	10.8	31.4	14.8	74.0
TRI-SOUTH MI	N-TSI	2159	22.05	2.96	JUN 3.04	31.00	8.3	10.2	9.5	40.6	13.8	66.9
USF INVESTRS	O-USFNS	2500	22.95	2.80	JUN 2.80	20.75	4.4	7.4	13.5	-9.6	12.2	51.9
WACHOVIA RLY	N-WRI	3335	18.92	2.40	AUG 2.40	26.00	18.2	10.8	9.2	37.4	12.7	86.7
WELLS FAR MI	N-WFM	3877	18.28	2.16	JUN 2.24	20.25	1.9	9.0	10.7	10.8	12.3	78.5

GROUP AVERAGE		2451	22.30	2.64		2.77	27.33	10.8	9.9	9.6	22.6	12.4	1100.1
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SHORT-TERM-MISC FINCL												
AMER CENTURY	N-ACT	2605	21.47	2.32	JUN 1.20	17.25	-1.4	14.4	13.4	-19.7	5.6	44.9
BENEF STD MI	A-BSM	1294	22.57	3.00	JUL 3.08	26.63	19.7	8.6	11.3	18.0	13.6	34.5
CI MTG GROUP	N-CI	4812	18.89	1.80	JUL 1.92	17.38X	12.2	9.1	10.4	-8.0	10.2	83.6
DOMINION M&R	O-DMRTS	623	9.42	2.16	AUG 2.52	16.50	3.1	6.5	13.1	75.2	26.8	10.3
FIDELITY MI	N-FID	3033	19.99	3.52	JUL 3.60	28.00X	4.5	7.8	12.6	40.1	18.0	84.9
GRT AMER MI	N-GAA	4313	16.89	3.54	JUL 3.48	35.88X	14.4	10.3	9.9	112.4	20.6	154.8
HANOVER SQ R	O-HASQS	829	19.34	2.20	AUG 2.12	18.00X	15.9	8.5	12.2	-6.9	11.0	14.9
IDS RLTY TR	N-IDR	2408	23.35	2.60	JUL 2.48	28.88X	9.4	11.6	9.0	23.7	10.6	69.5
MTG TRUST AM	N-MT	3859	19.07	1.88	AUG 1.20	13.38	-10.8	11.1	14.1	-29.8	6.3	51.6

GROUP AVERAGE		2642	19.00	2.56		2.40	22.43	8.4	9.3	11.4	18.1	12.6	549.1
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INTERMEDIATE-TERM MORTGAGES												
ALISON MTG I	N-AMV	2298	20.55	3.04	JUL 3.04	28.50X	5.4	9.4	10.7	38.7	14.8	65.5
BARNET-WINST	O-BWITS	1663	18.69	1.80	JUN 1.80	19.63	19.8	10.9	9.2	5.0	9.6	32.6
DIVERSIFD MI	N-DMG	7319	20.06	2.92	JUN 2.92	24.38	15.4	8.3	12.0	21.5	14.6	178.4
FST VIRGINIA	O-FVMTS	1208	23.49	2.48	JUN 2.36	22.38	6.6	9.5	11.1	-4.7	10.0	27.0
MEDIAN MTG I	O-MDMIS	2486	10.30	1.20	JUL 1.24	11.25X	16.9	9.1	10.7	9.2	12.0	28.0
RLTY REFUND	A-RFND	1045	18.58	2.28	JUL 2.28	18.88X	1.0	8.3	12.1	1.6	12.3	19.7
SECURITY MTG	A-SMO	6787	10.74	1.20	JUN 1.24	8.75	1.4	7.1	13.7	-18.5	11.5	59.4

GROUP AVERAGE		3258	17.49	2.13		2.13	19.11	9.2	9.0	11.2	9.3	12.2	410.7
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LONG-TERM MTG & EQUITIES												
ATLANTA NATL	O-ATNAS	1260	18.57	2.00	AUG 2.00	15.50X	11.3	7.8	12.9	-16.5	10.8	19.5
BANKAM RLTY	O-BRLTS	3523	19.19	2.04	JUL 1.84	27.25	13.5	14.8	7.5	42.0	9.6	96.0
BT MTG INVTR	A-BTM	2151	13.65	2.80	JUN 2.80	29.00	15.4	10.4	9.7	112.5	20.5	62.4
CLEVELTRST RL	O-CTRIS	2524	18.77	1.80	JUN 1.76	20.25	8.0	11.5	8.9	7.9	9.4	51.1
CON GEN M&R	N-CGM	5634	23.14	1.86	JUN 1.88	22.75X	24.5	12.1	8.2	-1.7	8.1	128.2
COUSINS M&EQ	N-CUZ	3724	20.88	2.44	AUG 2.44	26.00X	8.6	10.7	9.4	24.5	11.7	96.8
EQUIT LF MTG	N-EQ	5524	24.29	2.16	JUL 2.20	26.13	16.1	11.9	8.3	7.6	9.1	144.3
FIDELCO GROW	A-FGI	1581	25.68	3.32	MAY 3.20	32.88X	29.0	10.3	10.1	28.0	12.5	52.0
FST MEMPHIS	O-FMEMS	1149	18.06	2.00	AUG 2.00	20.13X	7.2	10.1	9.9	11.5	11.1	23.1
GULF MTG&RLY	A-GMR	2210	18.64	1.84	AUG 1.88	18.00	10.8	9.6	10.2	-3.4	10.1	39.8
HNC MTG&RLY	O-HNCMS	2366	20.23	2.16	JUL 2.12	19.00X	2.8	9.0	11.4	-6.1	10.5	45.0
HOSPITAL MTG	A-HMG	1178	23.26	2.20	AUG 2.16	19.63	9.8	9.1	11.2	-15.6	9.3	23.1
HOTEL INVSTR	A-HOT	1510	20.63	2.08	MAY 2.12	19.63	0.7	9.3	10.6	-4.8	10.3	29.6
INSTITUTNAL	N-INV	6074	13.52	1.40	JUL 1.48	12.25X	2.9	8.3	11.4	-9.4	10.9	74.4
LARWIN RLTY	A-LRM	3610	18.62	1.24	MAY 1.24	12.75	15.9	10.3	9.7	-31.5	6.7	46.0
MASSMUT MTG	N-MML	4656	23.81	1.84	JUL 1.88	17.00X	-13.8	9.0	10.8	-28.6	7.9	79.2
MONY MTG INV	N-MYM	8802	9.89	0.92	AUG 0.80	10.25X	-0.2	12.8	9.0	3.6	8.1	90.2
MTG GROWTH I	A-MTG	2652	12.58	1.20	AUG 1.20	12.50X	20.4	10.4	9.6	-0.6	9.5	33.1
NOWSTRN PINC	O-NFINS	1510	18.61	1.68	JUN 1.84	16.75	5.5	9.1	10.0	-10.0	9.9	25.3
NOWSTRN MUTL	N-NML	4709	19.39	1.96	JUN 1.92	24.00X	8.8	12.5	8.2	23.8	9.9	113.0
OLD STONE M#	O-OSMRS	756	13.17	1.28	JUN 1.24	13.75X	4.2	11.1	9.3	4.4	9.4	10.4
PACIFIC STHN	O-PSMTS	814	13.83	1.00	JUN 1.08	10.38	-1.1	9.6	9.6	-24.9	7.8	8.4
PNB MTG &RLY	N-PNI	2436	19.08	2.00	JUN 1.92	21.50	17.8	11.2	9.3	12.7	10.1	52.4
RAM PACIFIC	O-RPACS	1696	19.29	1.76	AUG 1.72	17.00X	10.7	9.9	10.4	-11.9	8.9	28.8
STATE MUTUAL	N-SMU	2768	19.99	2.48	JUN 2.36	20.75	-1.2	8.8	12.0	3.8	11.8	57.4

GROUP AVERAGE		2993	18.67	1.90		1.88	19.40	9.6	10.3	9.8	3.9	10.1	1429.7
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WARRANTS

NAME	EXCH/ SYMBOL	EXP DATE	OUT (000)	EXER PRICE	NO. SH.	WTS PRICE	STK PRICE	CONV PREM	% CHG	MKT VA (MIL\$)
ALISON MTG	O-ALIS5	12/75	24	19.00	1.0	7.75	28.50	-6.1	3.3	0.2
ALISON MTG'B	O-ALISW	12/76	396	27.50	1.0	2.75	28.50	6.1	57.1	1.1
AMER CENTURY	A-ACTW	6/75	897	23.00	1.0	1.13	17.25	39.9	13.0	1.0
AMER FLETCHER	A-AFMW	1/75	492	25.00	1.0	3.63	28.50	0.5	52.5	1.8
AMER REALTY	A-ARBW	9/76	1000	9.63	1.0	1.38	10.75	2.4	-15.3	1.4
ASSOC MTG IN	O-ASMGW	12/73	100	28.25	1.0	0.05	6.75	319.3	0.0	0.0
ATICO MTG IN	A-ACOW	12/79	563	15.00	1.0	3.88	17.00	11.1	6.9	2.2
ATICO MTG(B)	O-ATIC5	4/81	358	21.00	1.0	1.25	17.00	30.9	42.0	0.4
ATLANTA NATL	O-ATNAW	8/76	1260	20.00	1.0	1.00	15.50	35.5	58.7	1.3
BARNES MTG	O-BARNW	12/77	1910	20.00	1.0	1.75	17.50	24.3	16.7	3.3
BARNETT MTG	O-BMTRW	4/80	621	20.00	1.0	6.88	27.25	-1.4	57.1	4.3
BARNETT-WINST	O-BWITW	7/77	1657	20.00	1.0	2.38	19.63	14.0	46.0	3.9
BENEF STD (B)	O-BSMB5	3/77	285	27.75	1.0	0.88	26.63	7.5	17.3	0.3
BENEF STD MT	A-BSMW	7/75	604	20.00	1.0	6.50	26.63	-0.5	85.7	3.9
BERG ENT RG	A-BRTW	11/77	1400	10.00	1.0	0.75	7.75	38.7	19.0	1.0
BT MTG INV	O-BTMGW	1/77	440	24.00	1.0	5.25	29.00	0.9	61.5	2.3
BUILDER IN	O-BULDW	12/86	2009	25.00	1.0	7.88	31.25	5.2	40.0	15.8
CAMERON-BROWN	O-CMRNW	11/76	1477	25.00	1.0	4.63	28.75	3.1	54.3	6.8
CAPITAL MTG	O-CMORW	11/74	524	20.00	1.0	5.38	25.63	-1.0	22.8	2.8
CENTRAL MTG	O-CMRW	3/77	775	20.00	1.0	1.63	18.50	16.9	-6.9	1.3
CI MTG GROUP	A-CI.W	3/80	2854	20.00	1.0	2.13	17.38	27.3	13.3	6.1
CI REALTY IN	O-CIRLW	3/77	2609	25.00	1.0	0.75	12.25	110.2	0.0	2.0
CITINATL DEV	O-CITP5	4/75	600	20.00	1.0	0.13	10.50	91.7	0.0	0.1
CITIZENS GRO	O-CITGW	1/77	785	20.00	1.0	0.38	14.88	37.0	-24.0	0.3
CITIZENSMTG	A-CZMW	12/74	696	15.00	1.0	1.75	16.38	2.3	16.7	1.2
CITIZNS & SO	O-CSRIW	10/75	603	20.00	0.5	7.00	34.25	-0.7	21.7	4.2
CLEVETRST RL	O-CTRIW	1/76	2508	20.00	1.0	1.63	20.25	6.8	63.0	4.1
COLWELL M(B)	O-CLWLW	9/73	298	29.38	1.0	1.75	29.00	7.3	-22.2	0.5
COLWELL MTG	A-CLMW	12/74	349	20.00	1.0	8.88	29.00	-0.4	14.6	3.1
CONT ILL RLY	O-CON15	4/74	179	20.00	1.0	0.25	17.50	15.7	92.3	0.0
COUSINS MTG	A-CUZW	2/77	740	24.63	1.0	4.25	26.00	11.1	30.8	3.1
DENVER REIA	O-DENV5	5/76	177	11.00	1.0	0.38	7.75	46.8	0.0	0.1
DOMINION (B)	O-DMRTZ	10/87	550	17.75	1.0	2.88	16.50	25.0	28.0	1.6
DOMINION M&R	O-DMRTW	6/76	421	12.00	1.0	4.88	16.50	2.3	8.4	2.1
FIDELCO GROW	A-FGIW	9/75	140	25.00	1.0	9.00	32.88	3.4	71.4	1.3
FIDELITY MTG	O-FIDE5	3/79	173	22.25	1.0	6.75	28.00	3.6	35.0	1.2
FIR MEMPHIS	O-FMEMW	2/75	1131	20.00	1.0	1.13	20.13	5.0	13.0	1.3
FIRST DENVER	A-FDEW	10/75	1440	20.00	1.0	3.00	22.63	1.6	40.8	4.3
FIRST PEN(B)	O-FPMTZ	9/75	540	28.25	0.5	0.50	21.13	38.4	31.6	0.3
FIRST PENN	O-FPMTW	7/74	1622	20.00	0.5	0.88	21.13	3.0	17.3	1.4
FIRST UNION	O-FUREW	12/76	600	12.75	1.0	0.75	11.25	20.0	0.0	0.4
FIRST VA MTG	O-FVMTW	5/77	1208	25.00	1.0	1.75	22.38	19.5	16.7	2.1
FLATLEY RLT	O-FLT1W	5/75	1000	10.00	1.0	0.75	7.75	38.7	97.4	0.8
GALBREATH FM	O-GALBW	1/76	653	32.00	1.0	0.38	24.00	34.9	-24.0	0.2
GUARDIAN MI*	A-GMIW	5/76	364	36.00	1.0	7.00	36.63	17.4	27.3	2.5
GULF MTG&RL*	A-GMRW	3/76	2210	20.00	1.0	1.38	18.00	18.8	38.0	3.0
GULF SO MTG	A-GSRW	2/77	759	20.00	1.0	1.75	19.25	13.0	26.8	1.3
HAMILTON INV	O-HAMTW	7/76	1444	20.00	1.0	1.50	18.13	18.6	50.0	2.2
HAMILTON INV	O-HAMT5	5/83	650	20.00	1.0	1.50	18.13	18.6	50.0	1.0
HOSPITAL MTG	A-HMGW	2/77	1178	25.00	1.0	1.50	19.63	35.0	20.0	1.8
IDS RLTY TR	O-IDSRW	2/77	2408	25.00	0.5	2.75	28.88	5.6	37.5	6.6
INCOME MTG	O-INMRW	6/77	481	10.00	1.0	0.50	9.50	10.5	-33.3	0.2
INDIANA M&R	O-INDMW	6/77	575	20.00	0.5	1.88	19.25	23.4	66.4	1.1
JMB REALTY	O-JMBRW	8/77	510	20.00	1.0	0.75	16.00	29.7	0.0	0.4
JUSTICE MI	O-JUSTW	1/76	1044	20.00	1.0	4.88	24.75	0.5	39.4	5.1
JUSTICE MTG	O-JUSTZ	1/79	300	25.75	1.0	2.88	24.75	15.7	92.0	0.9
KMC MTG IN	O-KMTGW	12/76	1100	15.00	1.0	0.25	10.00	52.5	92.3	0.3
LARWIN MTG	O-LWN5	4/77	700	32.00	1.0	0.50	23.00	41.3	31.6	0.3
LARWIN RLTY	A-LRMW	12/76	3610	20.00	1.0	0.75	12.75	62.7	0.0	2.7
M&T MTG INV	O-MTMIZ	8/75	747	13.00	1.0	0.25	10.00	32.5	-34.2	0.2
MEDIAN MTG I	O-MDMIW	9/76	1235	12.50	1.0	1.75	11.25	26.7	0.0	2.2
MIDLAND MTG	O-MIDMW	9/76	270	12.50	1.0	3.00	15.75	-1.6	71.4	0.8
MTG INV WASH	O-MINWV	3/75	936	15.00	1.0	2.00	16.00	6.3	22.7	1.9
MTG TRUST AM	O-MORTW	11/74	2482	19.00	1.0	0.63	13.38	46.7	-16.0	1.6
NATIONAL MTG	O-NMTGW	3/79	287	10.00	1.0	3.50	13.50	0.0	27.3	1.0
NO AMER MTG	O-NOAM5	12/74	80	24.00	1.0	3.75	28.75	-3.5	36.4	0.3
NORTH AM MTG	A-NAMR5	3/79	710	31.13	1.0	3.50	28.75	20.5	33.1	2.5
NOWSTN FINC	O-NFINW	11/77	1510	20.00	1.0	1.63	16.75	29.1	8.7	2.5
OLDSTONE MT	O-OSMRW	3/77	600	16.00	1.0	0.38	13.75	19.1	0.0	0.2
PALOMAR MTG	A-PMIW	3/77	604	16.50	1.0	1.13	12.63	39.6	-9.6	0.7
PEASE ELLIMN	A-PNEW	11/77	1113	18.50	1.0	1.38	14.38	38.2	38.0	1.5
PNB MTG&RLTY	A-PNIW	12/74	1220	20.00	1.0	2.75	21.50	5.8	99.3	3.4
REPUBLIC MI	A-RMIW	6/79	1064	20.00	1.0	1.25	15.88	33.8	25.0	1.3
RLTY REFUND	O-RREFW	6/74	1026	20.00	1.0	0.75	18.88	9.9	0.0	0.8
SECURITY MT*	A-SMOW	5/79	3117	16.00	1.0	0.81	8.75	92.1	8.0	2.5
SUTRO MIT(B)	A-SUTW	6/77	700	20.00	1.0	1.25	15.25	39.3	10.6	0.9
SUTRO MTG IN	O-SUTR5	4/74	299	20.00	1.0	0.69	15.25	35.7	9.5	0.2
TEXAS 1ST MT	O-TFMRW	6/76	1055	20.00	1.0	1.50	18.75	14.7	0.0	1.6
TRI-SOUTH MI	O-TSMGW	12/74	520	20.00	0.5	5.00	31.00	-3.2	25.0	2.6
UNIONAM M&EQ	A-UATW	12/74	607	20.00	1.0	3.50	21.00	11.9	55.6	2.1
US LSG REI	A-USEW	12/74	1348	25.00	1.0	1.50	18.38	44.2	8.7	2.0
USF INVESTRS	O-USFNW	6/75	2500	25.00	1.0	1.63	20.75	28.3	30.4	4.1
WALTER JIM	O-WALJW	7/77	1035	18.50	1.0	1.63	14.63	37.6	63.0	1.7
WELLS FARGO	O-WELLW	7/74	3526	20.00	0.5	0.88	20.25	7.5	39.7	3.1

*DEBENTURES USABLE IN LIEU OF CASH.

CONVERTIBLE DEBENTURES						
DEBENTURE	EX	MAT	INT	CONV	RECENT YIELD	%
			(%)	AT	PRICE	(%) CHNG
ALISON MTG	AS	'91	6.75	27.50	95.50	7.1 -1.5
AMER CENTURY	AS	'90	7.00	21.00	78.00	9.0 -1.9
AMER CENTY'B	NY	'91	6.75	28.00	67.50	10.0 -2.2
AMER REALTY	OC	'84	7.00	10.75	92.50	7.6 0.5
BAIRD&WARNER	OC	'91	6.75	21.00	79.00	8.5 5.3
BANKAMERICA	OC	'90	6.75	21.00	133.00	5.1 14.7
BENEF STD MI	AS	'91	6.50	27.75	93.38	7.0 13.9
CAPITAL MTG	OC	'91	6.50	32.54	73.00	8.9 7.4
CHASE MANHTN	NY	'96	6.50	55.00	100.00	6.5 11.1
COLWELL MTG	OC	'91	6.50	29.38	96.00	6.8 11.6
CONN GENERAL	NY	'96	6.00	32.50	75.50	7.9 4.1
CONTWTL MTG	NY	'90	6.25	22.25	69.25	9.0 7.4
EQUITBL LF M	NY	'90	6.75	26.25	94.13	7.2 5.6
FIDELITY MI	AS	'85	7.75	21.25	126.50	6.1 -2.7
FIRST PENN M	OC	'91	6.75	26.00	78.00	8.7 11.4
FIRST UNION	NY	'91	7.00	13.00	88.00	8.0 -1.7
FRANKLIN RLY	AS	'89	7.00	10.00	71.50	9.8 1.8
GALBREATH	OC	'91	7.00	28.50	81.00	8.6 11.0
GRT AMER MI	OC	'91	7.00	35.50	96.00	7.3 15.7
HANOVER SQ R	OC	'92	7.25	21.00	84.00	8.6 5.0
HEITMAN MTG	AS	'92	7.50	14.70	87.50	8.6 9.4
HNC MTG	OC	'91	6.75	21.00	86.00	7.8 -2.3
HOTEL INVSTR	OC	'90	7.75	21.00	92.00	8.4 4.0
HOTEL INVTES	OC	'91	7.50	25.25	75.00	10.0 2.0
LINCOLN MTG	OC	'90	8.00	11.00	83.00	9.6 1.2
MASSMUTL MTG	NY	'90	6.75	21.00	86.00	7.8 -13.1
MASSMUTUAL M	NY	'91	6.25	33.50	76.00	8.2 1.3
MEDIAN MORTG	OC	'92	7.50	13.50	84.00	8.9 2.4
MEDIAN MTG I	OC	'90	7.50	10.00	99.00	7.6 2.1
MIDLAND MTG	OC	'86	7.00	16.67	85.00	8.2 1.2
MONY MTGIN	NY	'90	7.00	11.00	94.00	7.4 0.0
MTG INV WASH	OC	'90	8.00	15.00	105.00	7.6 11.7
NATIONAL MTG	OC	'91	7.00	12.00	112.00	6.3 5.7
NJB PRIME	AS	'91	6.75	21.00	81.50	8.3 -8.7
NOWSTRN MUTL	NY	'91	6.00	21.00	109.50	5.5 6.1
OLD STONE MT	OC	'87	6.88	15.00	90.00	7.6 1.7
RAM PACIFIC	OC	'91	6.75	21.00	80.00	8.4 10.3
REALTY INCOM	AS	'91	8.00	16.50	90.00	8.9 4.7
REPUBLIC MI	NY	'90	7.25	19.00	92.75	7.8 5.4
SAUL (BF) RL	OC	'91	6.50	23.00	72.00	9.0 5.9
SAUL (BF) REI	OC	'90	8.00	15.50	103.00	7.8 2.0
STATE MUTUAL	AS	'91	6.75	21.00	95.00	7.1 0.0
SUTRO MIT	NY	'82	6.75	20.00	77.00	8.8 2.0
SUTRO MTG	AS	'91	6.75	20.00	76.00	8.9 2.4
TRI-SOUTH MI	NY	'92	7.00	29.50	100.13	7.0 3.0
US BANCORP	AS	'92	7.00	26.25	100.00	7.0 -2.0
US REALTY IN	NY	'89	5.75	20.20	66.00	8.7 0.0

GENERAL FOOTNOTES

*COLUMNS ANNUALIZED-QUARTER MULTIPLIED BY FOUR. #CASH FLOW. X-EX DIVIDEND. @CASH FLOW INCLUDING DEBT DISCOUNT AMORTIZATION. SYMBOLS SHOWN ARE TICKER SYMBOLS FOR LISTED ISSUES AND NASDAQ SYMBOLS WHERE AVAILABLE. ALL OTHERS ARE FOR COMPUTER IDENTIFICATION.

LISTING OF PRIMARY AND DILUTED EARNINGS

Warrants only: Amer. Fletcher, \$3.20 primary & \$2.96 diluted; Barnett, \$2.96 & \$2.40; Barnett-Winston, \$1.80 & \$1.68; BT, \$2.80 & \$2.56; Builders Inv., \$3.20 & \$2.44; Cameron-Brown, \$3.04 & \$2.60; CI Mtg., \$1.92 & \$1.92; Citizens Mtg., \$1.80 \$1.40; CleveTrust, \$1.76 & \$1.52 (Mar); Cousins Mtg., \$2.44 & \$2.36; Dominion, \$2.52 & \$1.96; Fidelco, \$3.20 & \$3.16; Ist. Memphis, \$2.04 & \$1.76 (May); First Denver, \$2.32 & \$1.92; Hospital Mtg., \$2.52 & \$2.28 (May); IDS Rlty, \$2.48 & \$2.32; Indiana Mtg., \$1.56 & \$1.56; Mtg. Trust Amer. \$1.20 & \$1.20; M&T, \$1.04 & \$1.04; PNB, \$1.92 & \$1.80; Realty ReFund, \$2.28 & \$2.08; Security Mtg., \$1.08 & \$1.08; Texas Ist. \$2.16 & \$2.16; Unionamerica, \$2.44 & \$2.00 (May); USF Inv., \$2.80 & \$2.68; Wells Fargo, \$2.24 & \$1.92.

Warrants and Convertibles: Alison, \$3.04 & \$2.96; Amer. Century \$1.20 & \$1.20; Atico \$1.92 & \$1.80; Ben Std., \$3.08 & \$2.60; Capital, \$2.80 & \$2.44; Citizens & So., \$3.12 & \$2.84; Colwell, \$3.44 & \$3.20; Fidelity, \$3.60 & \$3.48; First Pa., \$2.08 & \$2.04; Galbreath, \$2.28 & \$2.28; Great American, \$3.48 & \$3.40; Guardian, \$4.40 & 4.20; Median, \$1.24 & \$1.12; Midland \$1.78 & \$1.70; Mtg. Inv. Wash., \$1.72 & \$1.56; National Mtg., \$1.52 & \$1.44; Republic, \$1.76 & \$1.76; Sutro, \$1.64 & \$1.64 Tri-So., \$3.04 & \$2.76.

HOW TO USE COMPARATIVE TRUST STATISTICS

The data inside are intended to facilitate comparison of relative efficiency of trust management with funds available during the latest period. Every effort has been made to present data for that purpose. Readers should note that the data are historical and not projections of future trends. This holds especially for dividends, which vary with each quarter's earnings for most mortgage trusts and thus are not to be considered in any way as guaranteed yields.

The heart of the comparisons is annualization of current earnings and dividend rates. For mortgage trusts, this is done by multiplying the latest quarter by four without seasonal adjustment. These earnings are adjusted for conversion of debt (i.e., fully diluted) but not for exercise of warrants, as described below. For equity trusts, net cash flow (defined as earnings plus depreciation and non-cash charges minus mortgage amortization) has been used and any known seasonal factors applied. The symbol "#" denotes use of cash flow in the earnings columns. Group averages may be reduced to the extent new trusts are included in any given group.

The number of shares outstanding is the number issued as of the latest balance sheet and is not adjusted for conversion or exercise of warrants. Book value per share however is adjusted for conversion of all convertible debentures. It does not reflect changes for any exercise of warrants nor does it reflect any adjustment for any changes in asset values through appreciation or losses.

Four standard comparisons are presented: price changes since the last issue; price/earnings ratios and estimated dividends based upon current market prices; and percentage of market price to book value. All values are positive unless indicated.

The fifth comparison, return on book value, measures management's performance with available funds. Because of the increasing complexity of trust capital structures, the computations are made in the following manner for trusts with these capital structures.

Convertible debentures only: Fully diluted earnings are compared with fully converted book value per share, since funds from convertibles are at work.

Warrants only: Primary earnings per share are compared with book value without assuming warrant exercise, since again this measures funds actually in use. Trusts in this category currently reporting significant differences and their primary and diluted earnings annual rates are listed at left.

Both warrants and convertibles: Fully converted book value is used. Primary earnings are being used because these are closest to converted earnings. Data for these trusts are slightly overstated. Where primary numbers are well above the dividend, the dividend is used and so noted. Trusts in this category are listed at left.